

REDACTED – FOR PUBLIC INSPECTION

VIA ECFS

June 29, 2015

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, D.C. 20554

RE: **REQUEST FOR CONFIDENTIAL TREATMENT**
WC Docket No. 14-58 - ETC Annual Reports and Certifications

Request that Information Submitted to the Commission be Withheld from Public Inspection Pursuant to 47 C.F.R. §0.459 and 5 U.S.C. §552(b)(4): Five-Year Service Quality Improvement Plan Progress Report included in FCC Form 481

Confidential Financial Information – Subject to Protective Order in WC Docket Nos. 10-90, 07-135, 05-337, 03-109, 14-58, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Before the Federal Communications Commission

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§54.313 and 54.422, Prairie Grove Telephone Company (the Company), Study Area Code 401718 is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS) in WC Docket No. 14-58. The Company, by its authorized representative, hereby requests confidential treatment of two attachments to its FCC Form 481: (1) the five-year service quality improvement plan progress report and (2) the financial annual report, both of which were redacted in the ECFS submission. The request for confidential treatment of the five-year plan progress report is being made pursuant to Section 0.459 of the Commission's rules and Exemption 4 of the Freedom of Information Act (FOIA). The request for confidential treatment of the financial annual report is being made

MOSS-ADAMS_{LLP}

Ms. Marlene Dortch

Page 2

pursuant to the FCC's June 17, 2015 *Protective Order* in WC Docket No. 10-90 *et al.* These attachments contain competitively sensitive data that Prairie Grove Telephone Company maintains as confidential and does not normally make available to the public. Release of this information would have a substantial negative impact on the Company.

Five-Year Service Quality Improvement Plan Progress Report

Pursuant to Section 0.459 of the Commission's rules and Exemption 4 of FOIA, Prairie Grove Telephone Company requests that the text and data extracted from its five-year service quality improvement plan progress report be withheld from public inspection because it contains competitively sensitive commercial and financial information that the Company keeps confidential. Public availability of this information would have a substantial negative impact on the Company.

In accordance with Section 0.459 of the Commission's rules, the following information is provided in support of this request:

(1) Identification of the specific information for which confidential treatment is sought:

Attachment to Line 112 of FCC Form 481 – Five-Year Service Quality Improvement Plan Progress Report. Specifically, confidential treatment is sought for all information in the five-year plan progress report related to the Company's access line counts, existing broadband capabilities, and current and planned financial investments in its network that will improve service quality, service coverage, and/or service capacity for its customers.

(2) Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission:

The information was submitted in WC Docket No. 14-58 as an attachment to FCC Form 481- the Carrier Annual Reporting Data Collection Form. Section 100 of FCC Form 481 requires incumbent local exchange carriers receiving high cost support to attach a progress report on its five-year service quality improvement plan, pursuant to 47 C.F.R. §54.313(a)(1).

(3) Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged:

The five-year service quality improvement plan progress report contains granular information on the Company's access line counts and/or existing broadband capabilities as well as recent and planned capital investments in its network to improve service quality, service coverage, and/or service capacity. It also contains a map of the Company's service area detailing progress toward meeting broadband

deployment targets at the wire center level. This is closely guarded, privileged information that the Company does not make publicly available.

- (4) Explanation of the degree to which the information concerns a service that is subject to competition:

Broadband is subject to increasing competition in the areas served by rural, rate-of-return incumbent local exchange carriers (RLECs). Virtually all RLECs face competition from one or more wireless Internet service providers. Most RLECs also face competition from at least one other wireline broadband provider, such as a larger cable company, who will typically seek to “cherry pick” the lower cost portions of the study area. In addition, all RLECs face competition throughout their territories from satellite broadband providers.

- (5) Explanation of how disclosure of the information could result in substantial competitive harm:

Disclosure of the information contained in the five-year plan progress report would provide competitors with detailed, granular information regarding the Company’s access line count, its existing broadband capabilities, and its recent and planned network investments that improve service quality, coverage, and/or capacity for subscribers. This would give competitors invaluable confidential information with which to develop their own strategies for investing in the service area, thereby bringing substantial competitive harm to the Company.

- (6) Identification of any measures taken by the submitting party to prevent unauthorized disclosure:

The Company has continually treated the extracted information in its five-year plan progress report as confidential and carefully controls the information to protect it from competitors. Access to the information is limited to employees that require it and to non-employees with confidentiality obligations such as lenders, consultants, auditors, and attorneys. In addition, when such information is required to be submitted to a state regulatory authority it has been filed as confidential information, not available to the public.

- (7) Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:

The redacted information in the five-year plan progress report is not available to the public, and third-party access is limited as described in (6) above.

MOSS ADAMS_{LLP}

Ms. Marlene Dortch

Page 4

- (8) Justification of the period during which the submitting party asserts that material should not be available for public disclosure:

The Company requests that the extracted information be withheld from public inspection indefinitely. The information in the five-year plan progress report details the Company's most recent network upgrades in relation to its previously submitted service quality improvement plan. It may also contain upcoming planned network improvements during the five-year period ending 2019. This information would provide a very useful baseline for competitors for several years beyond that period.

- (9) Any other information that the party seeking confidential information treatment believes may be useful in assessing whether its request for confidentiality should be granted:

Exemption 4 of FOIA shields from public disclosure commercial or financial information obtained from a person that is privileged or confidential. Based on the responses provided above, the information in question satisfies this test.

Financial Annual Report

Section 3005 of FCC Form 481 requires a privately-held rate-of-return carrier receiving high cost support to attach a full and complete annual report of the company's financial condition and operations pursuant to 47 C.F.R. §54.313(f)(2). Prairie Grove Telephone Company seeks confidential treatment of its financial annual report pursuant to the June 17, 2015 *Protective Order* in WC Docket No. 10-90, *et al.*¹ The *Protective Order* specifically covers information filed pursuant to 47 C.F.R. §54.313(f)(2).

Prairie Grove Telephone Company is providing to the Office of the Secretary, under seal, this cover letter and the Form 481 filing which includes the confidential information that is being requested to be withheld from public inspection.

Each page of the five-year service quality improvement plan progress report confidential submission bears the legend, "CONFIDENTIAL – NOT FOR PUBLIC DISCLOSURE."

Each page of the financial annual report confidential submission bears the legend, "CONFIDENTIAL FINANCIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, 14-58, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

¹ *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Protective Order, DA 15-712 (rel. June 17, 2015).

MOSS-ADAMS_{LLP}

Ms. Marlene Dortch
Page 5

Two copies of the Form 481 filing in redacted form and an accompanying cover letter are also being provided with the confidential filing. Each page of the redacted filing and accompanying cover letter is marked "REDACTED – FOR PUBLIC INSPECTION."

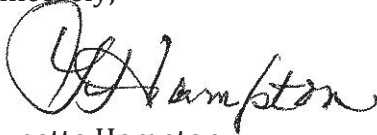
Two copies of this cover letter and the Form 481 filing with the confidential information are also being delivered to Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau.

The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as attachments to the FCC Form 481.

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Lynette Hampton". The signature is fluid and cursive, with the first name "Lynette" and last name "Hampton" clearly distinguishable.

Lynette Hampton
Authorized Representative for
Prairie Grove Telephone Company

LH/pjf

Enclosures

cc: Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, (2 hardcopies of non-redacted submission)

Mr. Rick Reed, Prairie Grove Telephone Company

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code	401718
<015> Study Area Name	PRAIRIE GROVE TEL CO
<020> Program Year	2016
<030> Contact Name: Person USAC should contact with questions about this data	Rick Reed
<035> Contact Telephone Number: Number of the person identified in data line <030>	4798467227 ext.
<039> Contact Email Address: Email of the person identified in data line <030>	treed@pgtc.com

ANNUAL REPORTING FOR ALL CARRIERS	54.313 Completion Required	54.422 Completion Required
-----------------------------------	----------------------------------	----------------------------------

<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<300> Unfulfilled Service Requests (voice)	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<310> Detail on Attempts (voice)	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410> Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420> Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<440> Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<450> Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> (attached descriptive document)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610> (attached descriptive document)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)?	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1000> Voice Services Rate Comparability Certification	Yes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1010> (attach descriptive document)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1100> Certify whether terrestrial backhaul options exist (Yes or No)	(if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1110>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<2005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	4798467227 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	treeed@pgtc.com
<110>	Has your company received its ETC certification from the FCC? If your answer to Line <110> is yes, do you have an existing "5 year plan" filed with the FCC?	<input checked="" type="radio"/> (yes / no) <input type="radio"/> <input type="radio"/> (yes / no) <input type="radio"/>
<111>		

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

401718ar112.pdf

Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113>	Maps detailing progress towards meeting plan targets	Yes
<114>	Report how much universal service (USF) support was received	Yes
<115>	How much (USF) was used to improve service quality and how support was used to improve service quality	Yes
<116>	How much (USF) was used to improve service coverage and how support was used to improve service coverage	Yes
<117>	How much (USF) was used to improve service capacity and how support was used to improve service capacity	Yes
<118>	Provide an explanation of network improvement targets not met in the prior calendar year.	Not Applicable

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	4798467227 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

1/1/2015
15.73

	Residential Local Service Charge Effective Date
<701>	Single State-wide Residential Local Service Charge
<702>	

[illegible]

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	4798467227 ext .
<039>	Contact Email Address - Email Address of person identified in data line <030>	treedepgtrc.com

[illegible]

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	4798467227 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com
<810>	Reporting Carrier	PRAIRIE GROVE TELEPHONE COMPANY
<811>	Holding Company	D D & B, Inc.
<812>	Operating Company	PRAIRIE GROVE TELEPHONE COMPANY

[illegible]

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data Contact Telephone Number - Number of person identified in data line <030>	Rick Reed 4798467227 ext.
<035>	Contact Email Address - Email Address of person identified in data line <030>	treed@rgtc.com

Name of Attached Document

If your company serves Tribal lands, please select (Yes,No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

[illegible]

- | | |
|-------|------------------------------------------------------------------------------------------------|
| <921> | Needs assessment and deployment planning with a focus on Tribal community anchor institutions. |
| <922> | Feasibility and sustainability planning; |
| <923> | Marketing services in a culturally sensitive manner; |
| <924> | Compliance with Rights of way processes |
| <925> | Compliance with Land Use permitting requirements |
| <926> | Compliance with Facilities Siting rules |
| <927> | Compliance with Environmental Review processes |
| <928> | Compliance with Cultural Preservation review processes |
| <929> | Compliance with Tribal Business and Licensing requirements. |

(1100) No Terrestrial Backhaul Reporting

Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	4798467227 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

<1120> Please confirm whether terrestrial backhaul options exist within the supported area pursuant to § 54.313(g) (Yes, No).

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

(1200) Terms and Condition for Lifeline Customers		FCC Form 481	
Lifeline		OMB Control No. 3060-0986/OMB Control No. 3060-0819	
Data Collection Form		July 2013	

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	4798467227 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

<1210>	Terms & Conditions of Voice Telephony Lifeline Plans	<div></div>	Name of Attached Document
<1220>	Link to Public Website		
HTTP		http://www.pgtc.com/?q=residential-telephone	

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221>	Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,	<input checked="" type="checkbox"/>
<1222>	Details on the number of minutes provided as part of the plan,	<input checked="" type="checkbox"/>
<1223>	Additional charges for toll calls, and rates for each such plan.	<input checked="" type="checkbox"/>

(2000) Price Cap Carrier Additional Documentation

Data Collection Form

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	FRANKIE GROVE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Kirk Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	4796667227 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kreed@ggtc.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)i}
- <2011a> 3rd Year Certification {47 CFR § 54.313(b)(1)ii}
- <2011b> Attachment {47 CFR § 54.313(b)(1)ii}

Name of Attached Document(s) Listing Required Information	

Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}

- <2012> 2013 Frozen Support Calculation {47 CFR § 54.313(c)(1)}
- <2013> 2014 Frozen Support Calculation {47 CFR § 54.313(c)(2)}
- <2014> 2015 Frozen Support Calculation {47 CFR § 54.313(c)(3)}
- <2015> 2016 and future Frozen Support Calculation {47 CFR § 54.313(c)(4)}

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

Certification Support Used to Build Broadband

--

Connect America Phase II Reporting {47 CFR § 54.313(e)}

- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification

<2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

--

- <2021> Interim Progress Community Anchor Institutions

--

Name of Attached Document(s) Listing Required Information

(3000) Rate Of Return Carrier Additional Documentation

Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	4798467227 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	t.reed@pgtc.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3010)	Progress Report on 5 Year Plan Milestone Certification (47 CFR § 54.313(f)(1)(i))	<div>401718ar3010.pdf</div>	Name of Attached Document Listing Required Information
--------	--------------------------------------------------------------------------------------	-----------------------------	--------------------------------------------------------

(3011)	Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	<input checked="" type="checkbox"/>
--------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------

(3012)	Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))	<div>401718ar3012.pdf</div>	Name of Attached Document Listing Required Information
--------	-----------------------------------------------------------	-----------------------------	--------------------------------------------------------

(3013)	Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))	<input checked="" type="checkbox"/>
(3014)	If yes, does your company file the RUS annual report	<input checked="" type="checkbox"/>

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)	<input type="checkbox"/>
(3016)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>

(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	<div></div>	Name of Attached Document Listing Required Information
--------	-------------------------------------------------------------------------------------------------------------	-------------	--------------------------------------------------------

(3018)	If the response is no on line 3014, Is your company audited?	<input checked="" type="checkbox"/>
--------	--------------------------------------------------------------	-------------------------------------

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains

(3019)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications	<input checked="" type="checkbox"/>
--------	-----------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------

(3020)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input checked="" type="checkbox"/>
--------	-----------------------------------------------------------------------------	-------------------------------------

(3021)	Management letter and audit opinion issued by the independent certified public accountant that performed the company's financial audit	<input checked="" type="checkbox"/>
--------	----------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

(3022)	Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications	<input type="checkbox"/>
--------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------

Borrowers,
Underlying information subjected to a review by an independent certified public accountant

(3023)	Underlying information subjected to a review by an independent certified public accountant	<input type="checkbox"/>
--------	--------------------------------------------------------------------------------------------	--------------------------

Underlying information subjected to an officer certification.

(3024)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
--------	-----------------------------------------------------------------------------	--------------------------

(3025)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<div>401718ar3026.pdf</div>	Name of Attached Document Listing Required Information
--------	-----------------------------------------------------------------------------	-----------------------------	--------------------------------------------------------

(3026)	Attach the worksheet listing required information	
--------	---------------------------------------------------	--

(3000) Rate Of Return Carrier Additional Documentation (Continued)

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

Data Collection Form

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	4798467227 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	t.reed@pgt.c.com



- Financial Data Summary
- (3027) Revenue

(3028) Operating Expenses

(3029) Net Income

(3030) Telephone Plant In Service(TPIS)

(3031) Total Assets

(3032) Total Debt

(3033) Total Equity

(3034) Dividends

**Certification - Reporting Carrier
Data Collection Form**FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	401718
<015>	Study Area Name	PRAIRIE GROVE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Rick Reed
<035>	Contact Telephone Number - Number of person identified in data line <030>	4798467227 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

**Certification - Agent / Carrier
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code	401718
<015> Study Area Name	PRAIRIE GROVE TEL CO
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Rick Reed
<035> Contact Telephone Number - Number of person identified in data line <030>	4798467227 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	treed@pgtc.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>Lynette Hampton</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	<u>Lynette Hampton</u>
Name of Reporting Carrier:	<u>PRAIRIE GROVE TEL CO</u>
Signature of Authorized Officer:	<u>CERTIFIED ONLINE</u> Date: <u>06/26/2015</u>
Printed name of Authorized Officer:	<u>Rick Reed</u>
Title or position of Authorized Officer:	<u>Gen.Mgr.& Sec./Trea.</u>
Telephone number of Authorized Officer:	<u>4798467227 ext.</u>
Study Area Code of Reporting Carrier:	<u>401718</u> Filing Due Date for this form: <u>07/01/2015</u>
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	<u>PRAIRIE GROVE TEL CO</u>
Name of Authorized Agent or Employee of Agent:	<u>Lynette Hampton</u>
Signature of Authorized Agent or Employee of Agent:	<u>CERTIFIED ONLINE</u> Date: <u>06/26/2015</u>
Printed name of Authorized Agent or Employee of Agent:	<u>Lynette Hampton</u>
Title or position of Authorized Agent or Employee of Agent:	<u>Authorized Representative</u>
Telephone number of Authorized Agent or Employee of Agent:	<u>5126527725 ext.</u>
Study Area Code of Reporting Carrier:	<u>401718</u> Filing Due Date for this form: <u>07/01/2015</u>
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code

401718

<015>	Study Area Name
-------	-----------------

PRAIRIE GROVE TEL CO

<020>	Program Year
-------	--------------

2016

<030> Contact Name - Person USAC should contact regarding this data

Rick Reed

<035> Contact Telephone Number - Number of person identified in data line <030>

4798467227 ext.

<039> Contact Email Address - Email Address of person identified in data line <030>

treed@patc.com

<a1>	<a2>	<b1>	<b2>	<c>	<d1>	<d2>	<d3>	<d4>
State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rates and Fees	Broadband Service - Download Speed (Mbps)	Broadband Service - Upload Speed (Mbps)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached {select}
AR	ALL	29.9	0.0	29.9	4.0	1.0	999999	Other, No limit on usage allowance
AR	ALL	39.9	0.0	39.9	6.0	1.0	999999	Other, No limit on usage allowance
AR	ALL	49.9	0.0	49.9	10.0	1.0	999999	Other, No limit on usage allowance
AR	ALL	59.9	0.0	59.9	15.0	1.0	999999	Other, No limit on usage allowance
AR	ALL	69.9	0.0	69.9	20.0	1.0	999999	Other, No limit on usage allowance
AR	ALL	54.9	0.0	54.9	10.0	2.0	999999	Other, No limit on usage allowance
AR	ALL	64.9	0.0	64.9	15.0	2.0	999999	Other, No limit on usage allowance
AR	ALL	59.9	0.0	59.9	10.0	5.0	999999	Other, No limit on usage allowance
AR	ALL	69.9	0.0	69.9	15.0	5.0	999999	Other, No limit on usage allowance
AR	ALL	79.9	0.0	79.9	20.0	5.0	999999	Other, No limit on usage allowance
AR	ALL	89.9	0.0	89.9	35.0	5.0	999999	Other, No limit on usage allowance
AR	ALL	99.9	0.0	99.9	50.0	10.0	999999	Other, No limit on usage allowance
AR	ALL	39.9	0.0	39.9	10.0	10.0	999999	Other, No limit on usage allowance
AR	ALL	49.9	0.0	49.9	20.0	20.0	999999	Other, No limit on usage allowance
AR	ALL	59.9	0.0	59.9	30.0	30.0	999999	Other, No limit on usage allowance
AR	ALL	69.9	0.0	69.9	40.0	40.0	999999	Other, No limit on usage allowance
AR	ALL	79.9	0.0	79.9	50.0	50.0	999999	Other, No limit on usage allowance
AR	ALL	29.9	0.0	29.9	6.0	6.0	999999	Other, No limit on usage allowance

**FIVE-YEAR SERVICE QUALITY IMPROVEMENT PLAN
PROGRESS REPORT**



The Company received \$1,162,587 in Universal Service Fund (“USF”) support during the period January through April 2015. It projects that it will receive \$597,416 in USF support during the period May-June 2015. The Company therefore projects that its total USF support for the first half of 2015 (Jan.-Jun.) will be \$1,760,003.



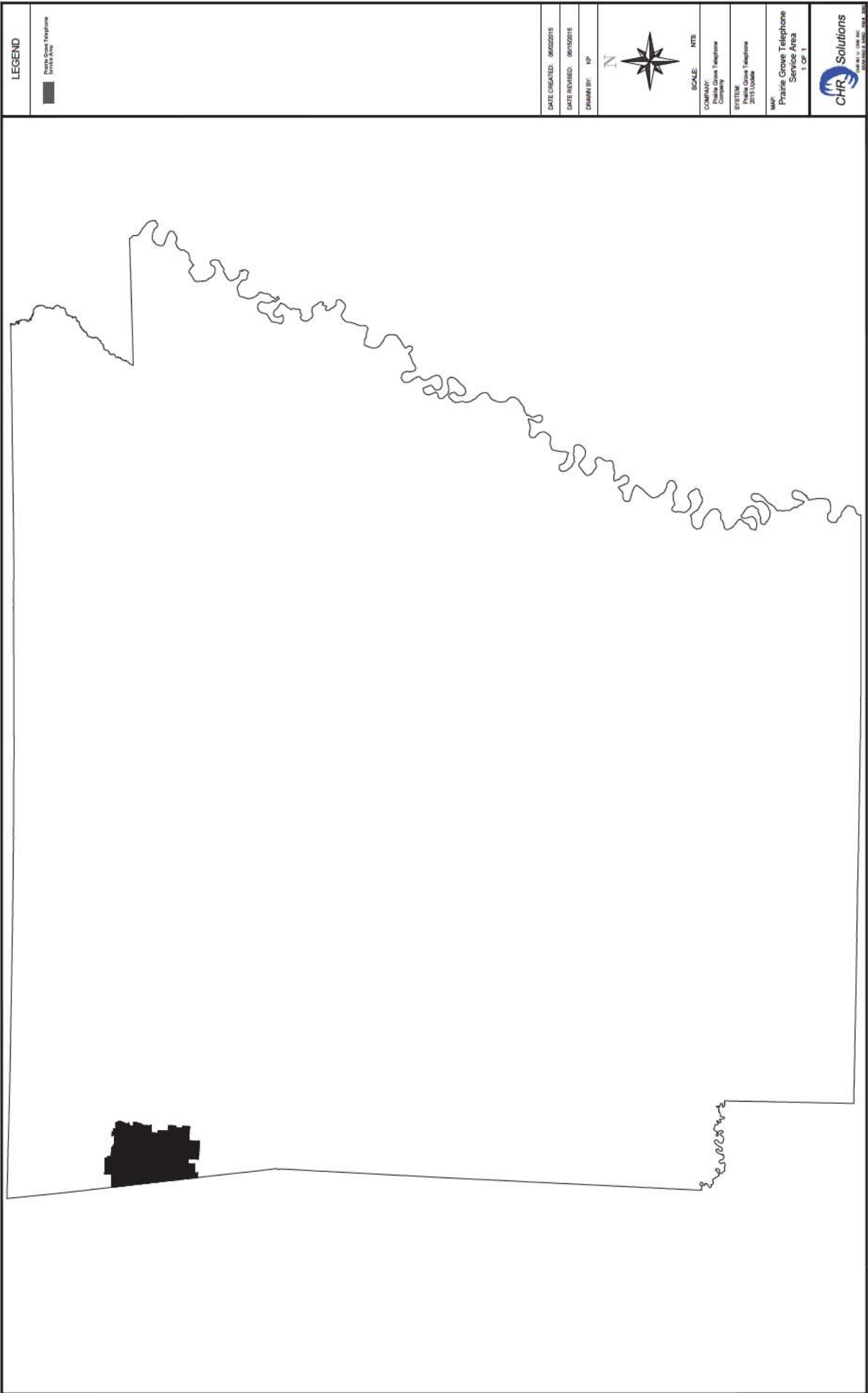
2015 Service Quality Improvement Plan – Progress Report

Exchange	Description of Improvement	2015 Forecast	2015 Progress (Jan.-Jun.)
----------	----------------------------	---------------	---------------------------



2015 Progress Report Description







LINE 330 – EXPLANATION OF UNFULFILLED BROADBAND REQUESTS

Prairie Grove had a total of 4 unfulfilled requests for broadband service at the end of 2014.

The company has a project underway that will upgrade facilities to either FTTH or VDSL2 technology, enabling the fulfillment of these requests. The estimated completion date for this project is July 31, 2015.

LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES COMPLIANCE

Prairie Grove Telephone Company complies with applicable service quality standards and consumer protection rules for its voice and broadband services.

The rates, terms, and conditions under which the Company operates are outlined in its local exchange tariff, which is approved by the Arkansas Public Service Commission. The tariff contains provisions regarding the Company's customer service and protection practices.

Service quality standards for voice service are established by the state commission. The Company consistently meets or exceeds those standards and provides reports to the state commission, in accordance with the state commission's rules.

With regard to broadband service, the Company provisions its network and equipment to ensure that its customers can enjoy the speeds to which they subscribe. However, Internet speeds generally result from a "best effort" service and are dependent upon a number of variables, many of which are outside the control of the Company.

The Company complies with any and all consumer protection obligations under state law.

The Company also complies with the following consumer best practices: (1) the Company discloses its rates and terms of service to customers; (2) the Company provides specific disclosures in its advertising; (3) the Company separately identifies carrier charges from taxes on its billing statements; (4) the Company provides ready access to customer service; (5) the Company promptly responds to consumer inquiries and complaints received from government agencies; and (6) the Company abides by policies for protection of consumer privacy.

Finally, the Company has a policy and established operating procedures that comply with the FCC's Customer Proprietary Network Information (CPNI) rules (47 C.F.R. §§64.2001-64.2011). Certification of the Company's compliance with CPNI rules and a description of the Company's operating procedures that ensure compliance are filed annually with the FCC.

LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

Prairie Grove Telephone Company is able to function in emergency situations for both voice and broadband service. The Company has a reasonable amount of back-up power to ensure functionality without an external power source. Standby power generators are supplied at the central office, remote switch sites, and repeater sites to ensure functionality without an external power source until power is restored. The network is capable of managing traffic spikes resulting from emergency situations.

The Company is able to reroute traffic around damaged facilities. Although the Company's ability to reroute traffic around damaged facilities is not absolute and may be limited in certain circumstances, there is a restoration plan in place for expeditious recovery of service, including splicing of damaged facilities when warranted.

LINE 1010 – VOICE SERVICES RATE COMPARABILITY

The Wireline Competition Bureau's most recent reasonable comparability benchmark for voice services is \$47.48, which includes the federal subscriber line charge ("SLC").¹

In the exchanges served by Prairie Grove Telephone Company the highest single-line residential local rate, including any mandatory extended area service charge and the state universal service fee, is \$16.52. When the federal SLC of \$6.50 is added, the total is below the reasonable comparability benchmark of \$47.48.

¹ *Wireline Competition Bureau Announces Results of 2015 Urban Rate Survey for Fixed Voice and Broadband Services and Posting of Survey Data and Explanatory Notes*, WC Docket No. 10-90, DA 15-470 (rel. April 16, 2015), p. 1.

LINE 3010 – MILESTONE CERTIFICATION

Prairie Grove Telephone Company (the “Company”) hereby certifies that the Company has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of 4 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to reasonably comparable offerings in urban areas, and that requests for such service are met within a reasonable amount of time.

LINE 3012 – COMMUNITY ANCHOR INSTITUTIONS

Prairie Grove Telephone Company did not newly deploy broadband service to any community anchor institutions in the preceding calendar year (2014).



REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Prairie Grove Telephone Company

Report on the Financial Statements

We have audited the accompanying financial statements of Prairie Grove Telephone Company, which comprise the balance sheets as of December 31, 2014 and 2013, and the related statements of income, stockholder's equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

REPORT OF INDEPENDENT AUDITORS (continued)

Auditor's Responsibility (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Prairie Grove Telephone Company as of December 31, 2014 and 2013, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Moss Adams LLP

Overland Park, Kansas
March 13, 2015

PRAIRIE GROVE TELEPHONE COMPANY
BALANCE SHEETS

ASSETS

	December 31,	
	2014	2013
CURRENT ASSETS		
Cash and cash equivalents	\$	
Accounts receivable		
Telecommunications accounts receivable		
Settlements and access accounts receivable		
Materials and supplies		
Prepaid expenses and other current assets		
Total current assets		
INVESTMENTS AND NONCURRENT ASSETS		
Investments in nonaffiliates		
Receivables from affiliates		
Other assets		
Total investments and noncurrent assets		
PROPERTY, PLANT, AND EQUIPMENT		
Regulated telecommunications plant in service		
Regulated telecommunications plant under construction		
Nonregulated telecommunications plant in service		
Less accumulated depreciation		
Net property, plant & equipment		
Total assets	\$	

PRAIRIE GROVE TELEPHONE COMPANY

BALANCE SHEETS

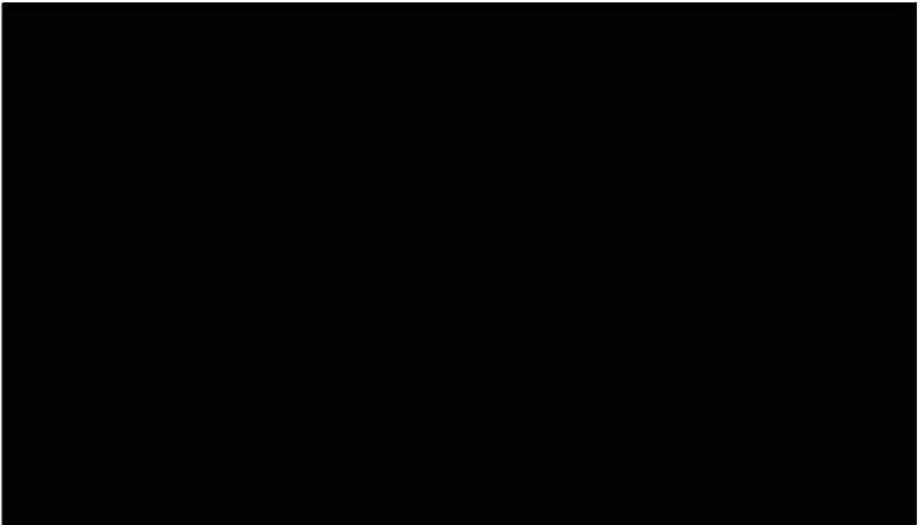
LIABILITIES AND STOCKHOLDER'S EQUITY

	December 31,	
	2014	2013
CURRENT LIABILITIES		
Accounts payable	\$	
Accounts payable, affiliates		
Accrued liabilities		
Total current liabilities		
 LONG-TERM LIABILITIES		
Deferred credits		
 STOCKHOLDER'S EQUITY		
Capital stock, \$25 par value, 20,000 shares authorized, 3,357 shares issued and outstanding		
Additional paid-in capital		
Retained earnings		
Total stockholder's equity		
 Total liabilities and stockholder's equity	\$	

PRAIRIE GROVE TELEPHONE COMPANY **STATEMENTS OF INCOME**

	Year Ended December 31,	
	2014	2013
OPERATING REVENUES		
Wireline	\$	
Customer		
Intercarrier		
Interstate		
Intrastate		
Universal service support, federal		
Universal service support, state		
Miscellaneous		
Total operating revenues		
OPERATING EXPENSES		
Plant specific operations		
Plant nonspecific operations		
Depreciation and amortization		
Customer operations		
Corporate operations		
Other operating taxes		
Nonregulated		
Total operating expenses		
Net operating income		
NONOPERATING INCOME (EXPENSE)		
Interest and dividend income		
Other nonoperating expense		
Total nonoperating expense		
Net Income	\$	

PRAIRIE GROVE TELEPHONE COMPANY
STATEMENTS OF STOCKHOLDER'S EQUITY

	<u>Capital Stock</u>	<u>Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
BALANCE, December 31, 2012				
Net income				
Dividends				
BALANCE, December 31, 2013				
Net income				
Dividends				
BALANCE, December 31, 2014				

PRAIRIE GROVE TELEPHONE COMPANY **STATEMENTS OF CASH FLOWS**

	Year Ended December 31,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$	
Adjustments to reconcile net income to net cash from operating activities		
Depreciation and amortization		
Change in assets and liabilities		
Noncash income from investment		
Accounts receivable		
Telecommunications accounts receivable		
Settlements and access accounts receivable		
Materials and supplies		
Prepaid expenses and other current assets		
Accounts payable		
Accrued liabilities		
Deferred credits		
Net cash from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of telecommunications plant		
Purchase of investments		
Redemption of investments		
Proceeds from sales of telecommunications plant		
Net cash from investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in receivables/payables from affiliates		
Dividends paid		
Net cash from financing activities		
NET CHANGE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS, beginning of year		
CASH AND CASH EQUIVALENTS, end of year	\$	